DOCUMENT RESUME

ED 298 670 EA 020 369

TITLE Analysis of School Finances, New York State School Districts, 1986-87.
INSTITUTION New York State Education Dept., Albany. Educational Research Services Unit.
PUB DATE Jun 88
NOTE 41p.
PUB TYPE Reports - Research/Technical (143) -- Statistical Data (110)

EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS *Educational Finance; Elementary Secondary Education; Expenditure per Student; Financial Support; Income; Public Schools; *School Districts; *School Support; School Taxes; *State Aid; State Federal Aid; State School District Relationship
IDENTIFIERS *New York; School District Wealth

ABSTRACT

This publication provides information concerning New York State's school expenditures, state aid, and local support. Summarized are the finances of major school districts in the school year 1986-87 as well as public school expenditures and state aid since 1963-64. The first section deals with the financing of public education in New York State in the school year 1986-87 and the estimated state aid payments for 1987-88. The second section highlights the relationship between expenditures per pupil and school fiscal capacity by district rank. The third section contains information concerning total pupils, key expenditure categories, school district tax levies, full value and personal incomes (1982-83 to 1986-87). Appended are: (1) pupil units to determine expense per pupil; (2) pupil units to compute district wealth per pupil; and (3) a table of state aid payments compared to total expenditures for public elementary and secondary schools (1940-41 to 1962-63). (SI)

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# Analysis of School Finances

## New York State School Districts / 1986-87

The University of the State of New York / THE STATE EDUCATION DEPARTMENT
Educational Research Services Unit / Albany, New York 12234

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New York State School Districts / 1986-87

The University of the State of New York / THE STATE EDUCATION DEPARTMENT
Educational Research Services Unit / Albany, New York 12234

June 1988

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## FOREWORD

The "Analysis of School Finances in New York State School Districts" is an annual publication providing a meaningful perspective to staff in the Division of the Budget, the Legislature and the Education Department concerning school expenditures, State aid and local support. This edition of the Analysis summarizes the finances of major school districts in school year 1986-87 as well as public school expenditures and State aid since 1963-64.

In summarizing school district expenditures, the Analysis compares various percentiles of operating expense per pupil and describes the magnitude of the disparity in approved operating expenditures per pupil between districts in the 10th and 90th deciles for each year. Also provided are decile tables ranked by wealth and expense per pupil. These decile tables provide school districts comparisons of expenditures per pupil, tax rates, and wealth per pupil.

Another feature of the Analysis is its presentation of five-year trend data on full value, expenses, State aid, tax rates, and local levy. These items are displayed on a per pupil basis for the entire State, New York City and the Rest of State (school districts outside New York City).

In terms of data collection, total State aid used in the tables throughout the Analysis is the State aid reported on the Annual Financial Report form (ST-3) submitted by school districts. It should be noted that this may not be the same as total State aid paid. Also, data base items contained in the Analysis are as of March 1988. Data for school years prior to 1984-85 have not been adjusted.

As in past years, an historical perspective of school finances in New York State is presented. Table 1 continues to display State aid and total expenditures since the early 1960's and Appendix C contains data for school years 1940-41 through 1962-63.

To assist the reader less familiar with the technical terms used in the Analysis, a glossary of terms is provided at the end of the report.

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I

# THE FINANCING OF PUBLIC EDUCATION IN NEW YORK STATE IN SCHOOL YEAR 1986-87 AND ESTIMATED STATE AID PAYMENTS FOR 1987-88

## Introduction

New York State's capacity to fund education has fluctuated over the years depending on State or national economic prosperity. The State's percent participation in the expenditures of school districts over the past 28 years has varied from a 1968-69 peak of 48.1 percent to a low of 37.6 percent in 1977-78. Figures such as these compare favorably with the 1944-45 low of 31.5 percent.

During the last four years, the State's economic climate has improved and State aid has increased in excess of $2.4 billion. As a result, the percent of State aid included in Total General and Special Aid Fund Expenditures should approach an estimated 44 percent for 1987-88. This increase in State aid to $7.355 billion for the 1987-88 school year represents a 9.6 percent increase over prior year aid in absolute terms, and an 10.3 percent increase on a per enrolled pupil basis. Total General and Special Aid Fund Expenditures are estimated to be increasing 8 percent to a total of $16.7 billion in 1987-88.

A review of Table 1 reveals that State aid has paralleled the State's economic climate. In the latter 1970's, the State provided relatively modest aid increases to schools caused in part by the economic adjustment to higher energy costs and inflation. With the decline in energy costs and the surge of economic activity within the State and nation, the State has moved to incorporate new initiatives and continued excellence in education. In fact, the State aid portion of Total Expenditures has increased from 37.6 percent in the 1977-78 school year to 43.4 percent in 1986-87, the highest State share since 1971-72.

Table 1 shows that preliminary Total General and Special Aid Fund Expenditures for public elementary and secondary schools increased $1.0 billion in 1986-87 to $15.459 billion, a 6.9 percent increase from 1985-86. State aid in the same period increased by $712 million (11.9 percent) to $6.7 billion. The 1986-87 State aid received by school districts included payments of more than $17 million made for aid earned in prior years. The 1985-86 State aid received includes payments in excess of $18 million for prior year adjustments of State aid earned.

Table 2 shows the increases in Total Expenditures per enrolled pupil and State aid per enrolled pupil computed for school years 1972-73 to 1987-88. Changes in per pupil expenses and aid are related to changes in total expenses, aid and number of pupils served. As Table 2 illustrates, Total General and Special Aid Fund Expenditures per pupil increased from $1,708 per pupil in 1972-73 to $6,493 in 1987-88, a 280 percent increase in dollars over the period; whereas State aid has increased from $698 per pupil in 1972-73 to $2,859 in 1987-88, for a 310 percent increase over the same time span.

Table 1

STATE AID PAYMENTS COMPARED TO TOTAL GENERAL AND SPECIAL AID FUND EXPENDITURES FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOLS 1963-64 TO 1987-88[a]

| School Year | Total State Aid Payments Reported[b] | Total General and Special Aid Fund Expenditures | Percent From State Aid Payments Reported |
|---|---|---|---|
| 1987-88 | $7,355,020,000[c] | $16,700,000,000[c] | 44.0% |
| 1986-87 | 6,713,816,000[d] | 15,459,000,000[d] | 43.4 |
| 1985-86 | 6,001,342,481 | 14,456,668,228 | 41.5 |
| 1984-85 | 5,483,139,256 | 13,244,994,555 | 41.4 |
| 1983-84 | 4,876,658,568 | 12,414,761,000 | 39.3 |
| 1982-83 | 4,643,882,740 | 11,549,609,412 | 40.2 |
| 1981-82 | 4,272,493,491 | 10,879,138,373 | 39.3 |
| 1980-81 | 3,957,793,730 | 9,969,092,216 | 39.7 |
| 1979-80 | 3,595,146,853 | 9,239,986,028 | 38.9 |
| 1978-79 | 3,367,330,294 | 8,687,679,124 | 38.8 |
| 1977-78 | 3,142,598,229 | 8,353,194,633 | 37.6 |
| 1976-77 | 3,094,493,700 | 7,901,601,390 | 39.2 |
| 1975-76 | 3,069,968,464 | 7,624,134,286 | 40.3 |
| 1974-75 | 2,922,894,314 | 7,392,525,957 | 39.5 |
| 1973-74 | 2,551,036,661 | 6,675,066,632 | 38.2 |
| 1972-73 | 2,439,706,794 | 5,969,276,199 | 40.9 |
| 1971-72 | 2,373,770,523 | 5,571,103,406 | 42.6 |
| 1970-71 | 2,325,327,909 | 5,253,769,955 | 44.3 |
| 1969-70 | 2,047,705,263 | 4,549,830,449 | 45.0 |
| 1968-69 | 1,997,898,769[e] | 4,155,247,592 | 48.1 |
| 1967-68 | 1,638,346,054[f] | 3,622,486,588 | 45.2 |
| 1966-67 | 1,461,332,593 | 3,285,027,751 | 44.5 |
| 1965-66 | 1,272,117,831 | 2,799,355,786 | 45.4 |
| 1964-65 | 1,078,501,941 | 2,538,791,834 | 42.5 |
| 1963-64 | 1,016,065,918 | 2,333,788,895 | 43.5 |

a For comparisons prior to the 1963-64 school year, the reader is referred to Appendix C of this report.

b State aid payments reported on the Annual Financial Report by school districts and include prior year payments.

c Estimated data.

d Preliminary data.

e Includes aid to New York City on a five-borough basis since 1968-69.

f Includes an additional one-half year's payment of $51,857,477 to New York City for aid on a five-borough basis.

NOTE: Expenditures made from the Federal fund are included in total expenditures since 1965-66. State aid figures revised to exclude School Lunch and Breakfast aid since 1964-65 when the School Lunch expenditures and revenues were established as a separate fund.

Table 2

STATE AID PAYMENTS PER ENROLLED PUPIL AND TOTAL GENERAL AND SPECIAL AID FUND EXPENDITURES PER ENROLLED PUPIL PUBLIC ELEMENTARY AND SECONDARY SCHOOLS 1972-73 TO 1987-88[a]

| School Year | State Aid Per Enrolled Pupil | Percent Increase in State Aid Per Enrolled Pupil Over Prior Year | Total General and Special Aid Fund Expenditures Per Enrolled Pupil | Percent Increase in TGFE Per Enrolled Pupil Over Prior Year |
|---|---|---|---|---|
| 1987-88 | $2,859 | 10.3% | $6,493 | 8.7% |
| 1986-87 | 2,593 | 12.6 | 5,971 | 7.6 |
| 1985-86 | 2,303 | 10.5 | 5,549 | 10.2 |
| 1984-85 | 2,084 | 13.7 | 5,034 | 7.9 |
| 1983-84 | 1,832 | 6.8 | 4,665 | 9.3 |
| 1982-83 | 1,716 | 11.1 | 4,269 | 8.5 |
| 1981-82 | 1,544 | 11.5 | 3,933 | 12.7 |
| 1980-81 | 1,385 | 14.0 | 3,490 | 11.8 |
| 1979-80 | 1,215 | 11.3 | 3,122 | 10.8 |
| 1978-79 | 1,092 | 11.5 | 2,817 | 8.3 |
| 1977-78 | 979 | 5.3 | 2,601 | 9.6 |
| 1976-77 | 930 | 3.2 | 2,374 | 6.5 |
| 1975-76 | 901 | 5.6 | 2,230 | 3.3 |
| 1974-75 | 853 | 15.4 | 2,158 | 11.6 |
| 1973-74 | 739 | 5.9 | 1,933 | 13.2 |
| 1972-73 | 698 | ---- | 1,708 | ---- |

[a] For comparisons prior to the 1972-73 school year, the reader is referred to the "Analysis of School Finances, 1979-80".

The 1986-87 Total General and Special Aid Fund Expenditure per enrolled pupil was $5,971, an increase of $422, or 7.6 percent over the 1985-86 school year. During this same period, State aid per enrolled pupil increased by $290 per enrolled pupil, a 12.6 percent increase over the 1985-86 school year. Estimated data for 1987-88 show that Total General and Special Aid Fund Expenditures per pupil increased 8.7 percent over the previous year to $6,493, while State aid increased by $266 per pupil to $2,859, or 10.3 percent, over the same period.

Table 3 contains a breakdown of Total Expenditures and includes General and Special Aid Fund Expenses by funding source. State aid, Federal aid and local tax revenues (which include balances as well as miscellaneous local revenues) are listed over the past 16 years. Federal aid was $474 million in 1986-87 and was 3.1 percent of total expenses. Current estimates indicate that Federal aid will be approximately $470 million in 1987-88 and drop to 2.8 percent of total expenditures. Table 3 shows that Total General and Special Aid Fund Expenditures increased from $5,969 million in 1972-73 to $16,700 million in 1987-88, an increase of 180 percent, while State aid increased from $2,439 million to $7,355 million, or 202 percent over the same period. At the same time, local revenue increased $3,236 million to $8,875 million, a 174 percent increase; Federal aid increased $292 million to $470 million, a 61 percent increase over this period.

Table 3

TOTAL EXPENDITURES AND REVENUES, ELEMENTARY AND SECONDARY EDUCATION
1972-73 TO 1987-88[a]
(In Thousands)

| School Year | Total General & Special Aid Fund Expenditures | STATE AID PAYMENTS REPORTED | | FEDERAL AID | | LOCAL TAX + OTHER REVENUES[b] | |
|---|---|---|---|---|---|---|---|
| | | Amount | Percent of Total Expenditures | Amount | Percent of Total Expenditures | Amount | Percent of Total Expenditures |
| 1987-88[c] | $16,700,000 | $7,355,000 | 44.0% | $470,000 | 2.8% | $8,875,000 | 53.1% |
| 1986-87[d] | 15,459,000 | 6,713,010 | 43.4 | 474,000 | 3.1 | 8,272,000 | 53.5 |
| 1985-86 | 14,456,668 | 6,001,342 | 41.5 | 580,000 | 4.0 | 7,875,000 | 54.5 |
| 1984-85 | 13,244,994 | 5,483,139 | 41.4 | 448,000 | 3.3 | 7,318,655 | 55.3 |
| 1983-84 | 12,414,761 | 4,876,658 | 39.3 | 448,000 | 3.6 | 7,090,103 | 57.1 |
| 1982-83 | 11,549,609 | 4,643,882 | 40.2 | 446,000 | 3.9 | 6,459,727 | 55.9 |
| 1981-82 | 10,879,138 | 4,272,493 | 39.3 | 426,551 | 3.9 | 6,180,094 | 56.8 |
| 1980-81 | 9,969,092 | 3,957,793 | 39.7 | 473,175 | 4.8 | 5,538,124 | 55.5 |
| 1979-80 | 9,239,986 | 3,595,147 | 38.9 | 503,492 | 5.4 | 5,141,347 | 55.7 |
| 1978-79 | 8,687,679 | 3,367,330 | 38.8 | 420,212 | 4.9 | 4,900,137 | 56.3 |
| 1977-78 | 8,353,195 | 3,142,598 | 37.6 | 387,813 | 4.6 | 4,822,784 | 57.8 |
| 1976-77 | 7,901,601 | 3,094,494 | 39.2 | 339,055 | 4.3 | 4,468,052 | 56.5 |
| 1975-76 | 7,624,134 | 3,069,968 | 40.3 | 335,571 | 4.4 | 4,218,595 | 55.3 |
| 1974-75 | 7,392,526 | 2,922,894 | 39.5 | 375,773 | 5.1 | 4,093,859 | 55.4 |
| 1973-74 | 6,675,067 | 2,551,037 | 38.2 | 275,728 | 4.1 | 3,848,302 | 57.7 |
| 1972-73 | 5,969,276 | 2,439,707 | 40.9 | 292,717 | 4.9 | 3,236,852 | 54.2 |

[a] For school years 1961-62 to 1971-72, the reader is referred to the "Analysis of School Finances, 1979-80".

[b] Includes all Local Property and Nonproperty Tax plus balances carried forward from previous years as well as miscellaneous revenues in current year. This is a balancing amount since the table assumes all other revenues were expended in the year received.

[c] Estimate.

[d] Preliminary.

II

## COMPARISONS OF EXPENDITURES PER PUPIL AND FISCAL CAPACITY BY DISTRICT RANK

Section II is designed to highlight the relationship between school fiscal capacity and expenditure per pupil. A useful technique for portraying this relationship is to first rank order all districts by deciles of Approved Operating Expense per Total Aidable Pupil Unit for Expense (TAPU for Expense). Each of the expenditure deciles thus created then can also be described in terms of selected measures of district fiscal capacity such as Full Value per Total Wealth Pupil Unit and Income per Total Wealth Pupil Unit. The resulting decile tables provide a quick, clear comparison of various school districts with similar approved operating expenses per pupil and illumine the degree to which changes in fiscal capacity are associated with changes in expense per pupil.

Table 4 provides a comparison of approved operating expenses per TAPU for expense, by selected district percentiles. As noted, Weighted Average Daily Attendance (WADA) was used for school years 1963-64 through 1972-73; Total Aidable Pupil Units (TAPU) was used for school years 1973-74 through 1979-80; and since 1980-81, TAPU for expense has included handicapped weightings. The percentile values displayed (10th, 25th, 50th, 75th and 90th) are for all major school districts excluding New York City. New York City data are shown separately. Table 4 also displays the difference between the 90th and 10th percentiles; this difference or expenditure "gap" is expressed as a percent of the 10th percentile value. As the last column of this table indicates, this expenditure gap has continued to grow over the previous two decades, with few historic exceptions.

During the 1986-87 and 1985-86 school years, the median district Approved Operating Expense (AOE) per TAPU for Expense (50th percentile) increased 10 percent each year or $341 for the 1986-87 period and $298 for the 1985-86 period. The expenditure gap continued to increase during this two-year period and in 1986-87 was 106 percent of the 10th percentile. The dollar increase per pupil of the district at the 90th percentile was more than 60 percent greater than the dollar increase of the district at the 10th percentile. Without either significant changes in the school aid formula, increased reorganization of districts, or a limit on expenditures, the expenditure gap trend can be expected to continue.

Over the twenty-three year period, the median district expense per pupil has increased 544 percent; however, the expenditure gap over the same period has increased by a factor of 10. When New York City is compared with all major districts, the City's approved expense per pupil is shown to be slightly above the 75th percentile until the 1979-80 school year when its expense per pupil was slightly below the 75th percentile. From school year 1980-81 to the present, New York City's approved expense per pupil is above the median and for most of the years since, it is about halfway to the 75th percentile. The observed drop

in New York City's expenditure per pupil in 1980-81 is attributable to a new method of calculating expense per pupil. In 1980-81, the method of computing expense per pupil was changed to include weighted handicapped pupils. This method of calculation has served to "lower" New York City's expense per pupil, since there are a relatively large number of handicapped pupils in New York City.

Tables 5 through 7 display fiscal capacity, expenditure, and aid data in two ways: on a statewide basis through the use of decile groupings of major districts; and through the use of weighted arithmetic averages for a variety of selected classification groups. Each statistical approach has its advantages. The decile portions of Tables 5, 6 and 7 permit the reader to analyze known information about a specific, individual school district in a number of ways; it can be compared to other districts within its decile group, to other decile groups, or to the State average. Hence, the reader interested in knowing how a given district compares to others, in terms of 1986-87 Approved Operating Expense/TAPU for Expense, may refer directly to Table 5; for decile information concerning 1986-87 fiscal capacity, measured as FV/TWPU, Table 6; and to Table 7 for decile information based upon Income per TWPU for 1986-87. For example, a sample district with a 1986-87 AOE/TAPU for Expense of $3,200, would fall in the third expenditure decile (between $3,177 and $3,302). A district at or below $3,000 would fall in the first decile. The average FV/TWPU for the third decile grouping was $77,488 and the decile's average TGFE/TAPU for Expense was $4,081 for the second decile. By comparing the entire percentile distribution with individual district data, it is possible to review each district as it compares to the decile average.

In a review of the decile tables, attention should be drawn to the fact that, on occasion, relatively high property wealth (FV/TWPU) districts have relatively low AOE/TAPU for Expense and, on occasion, low property wealth districts have AOE/TAPU for Expense considerably above the State average.

As noted, Tables 5, 6 and 7 also display fiscal capacity, expenditure, and aid data in another fashion -- on the basis of weighted, arithmetic averages defined for a variety of major classification groups. These groups are: 1) All Other Major Districts; 2) All Major Districts excluding New York City; 3) Other Big 5 Cities; 4) Tax Limit Districts; and 5) New York City Area Suburban Districts. By comparing sample districts to both the decile groupings as well as the classification groups listed, a full picture of the sample districts' relative status can be quickly gained.

Table 4

DISTRIBUTION OF OPERATING EXPENDITURES PER WEIGHTED PUPIL[a] AMONG MAJOR DISTRICTS
1963-64 TO 1986-87

| School Year Ending | New York City | All Major Districts (Excluding New York City) | | | | | Difference 10th & 90th Percentiles | Difference as a Percent of 10th Percentile |
|---|---|---|---|---|---|---|---|---|
| | | District Percentiles[b] | | | | | | |
| | | 10 | 25 | 50 | 75 | 90 | | |
| 1987 | $4,125 | $3,025 | $3,237 | $3,628 | $4,673 | $6,236 | $3,211 | 106.1% |
| 1986 | 3,802 | 2,762 | 2,940 | 3,287 | 5,332 | 5,811 | 3,049 | 110.4 |
| 1985 | 3,388 | 2,482 | 2,680 | 2,989 | 3,974 | 5,211 | 2,729 | 110.0 |
| 1984 | 3,178 | 2,298 | 2,477 | 2,768 | 3,597 | 4,730 | 2,432 | 105.8 |
| 1983 | 3,010 | 2,131 | 2,297 | 2,566 | 3,251 | 4,278 | 2,147 | 100.8 |
| 1982 | 2,607 | 1,947 | 2,079 | 2,332 | 2,989 | 3,865 | 1,918 | 98.5 |
| 1981 | 2,296 | 1,796 | 1,927 | 2,139 | 2,756 | 3,548 | 1,752 | 97.6 |
| 1980 | 2,432 | 1,641 | 1,766 | 1,956 | 2,536 | 3,163 | 1,522 | 92.7 |
| 1979 | 2,157 | 1,410 | 1,512 | 1,664 | 2,128 | 2,757 | 1,347 | 95.5 |
| 1978 | 2,090 | 1,319 | 1,417 | 1,566 | 1,971 | 2,539 | 1,220 | 92.5 |
| 1977 | 1,979 | 1,233 | 1,320 | 1,471 | 1,821 | 2,412 | 1,179 | 95.6 |
| 1976 | 1,895 | 1,166 | 1,242 | 1,373 | 1,713 | 2,148 | 1,032 | 88.5 |
| 1975 | 1,944 | 1,067 | 1,142 | 1,274 | 1,593 | 2,013 | 946 | 88.7 |
| 1974 | 1,702 | 975 | 1,029 | 1,136 | 1,431 | 1,787 | 812 | 83.3 |
| 1973 | 1,433 | 931 | 987 | 1,086 | 1,338 | 1,649 | 718 | 77.1 |
| 1972 | 1,276 | 890 | 942 | 1,032 | 1,226 | 1,549 | 659 | 74.0 |
| 1971 | 1,306 | 856 | 903 | 982 | 1,180 | 1,454 | 598 | 69.9 |
| 1970 | 1,097 | 790 | 829 | 895 | 1,037 | 1,305 | 515 | 65.2 |
| 1969 | 996 | 755 | 800 | 857 | 972 | 1,164 | 409 | 54.2 |
| 1968 | 906 | 671 | 707 | 764 | 870 | 1,044 | 373 | 55.6 |
| 1967 | 883 | 609 | 646 | 701 | 790 | 959 | 350 | 57.5 |
| 1966 | 771 | 545 | 582 | 635 | 715 | 868 | 323 | 59.3 |
| 1965 | 715 | 517 | 548 | 593 | 678 | 833 | 316 | 61.1 |
| 1964 | 650 | 488 | 522 | 563 | 654 | 777 | 289 | 59.2 |

[a] For 1963-64 to 1972-73, the weighted pupil count is WADA; for 1973-74 to 1979-80, the pupil count is one year TAPU; for 1980-81 and after, the weighted pupil count is one year TAPU with handicapped weightings, commonly called TAPU for Expense. This change in pupil counts increased New York City's TAPU and is responsible for New York City having a lower expenditure per pupil in 1980-81 than in 1979-80 (see Appendix A).

[b] The value of the district at the percentile shown below is listed.

Table 5

1986-87 FISCAL CAPACITY, EXPENDITURE AND AID DATA FOR DECILES OF DISTRICTS RANKED BY AOE/TAPU FOR EXPENSE
ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

| Decile | 1986-87 AOE/TAPU for Exp. | 1986-87 FV/TWPU | TGFE[a]/TAPU for Exp. | State Aid Per TAPU for Exp. | Oper. Aid Per TAPU for Exp. | Income Per TWPU | Income Per Return | Tax Levy Per TAPU for Exp. | Tax Rate Per $1,000 of FV |
|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 3,025 | $ 71,354 | $3,938 | $2,842 | $1,923 | $ 31,566 | $19,695 | $ 983 | $13.99 |
| 2 | 3,177 | 71,594 | 3,922 | 2,716 | 1,895 | 33,890 | 20,210 | 1,084 | 15.33 |
| 3 | 3,302 | 77,488 | 4,081 | 2,737 | 1,765 | 37,649 | 19,163 | 1,261 | 16.51 |
| 4 | 3,454 | 87,290 | 4,152 | 2,482 | 1,672 | 40,934 | 20,933 | 1,529 | 17.77 |
| 5 | 3,629 | 93,586 | 4,437 | 2,473 | 1,533 | 47,003 | 21,598 | 1,807 | 19.57 |
| 6 | 3,892 | 107,453 | 4,512 | 2,266 | 1,413 | 53,753 | 24,425 | 2,098 | 19.83 |
| 7 | 4,296 | 117,845 | 4,925 | 2,261 | 1,324 | 58,007 | 25,653 | 2,521 | 21.46 |
| 8 | 5,209 | 146,193 | 5,637 | 2,230 | 1,211 | 65,178 | 26,876 | 3,279 | 22.56 |
| 9 | 6,236 | 176,417 | 6,581 | 2,054 | 1,159 | 83,819 | 33,677 | 4,331 | 25.10 |
| 10 | 18,445 | 325,454 | 8,050 | 1,406 | 702 | 127,169 | 45,527 | 6,430 | 19.77 |
| All Major Districts (including NYC) | $ 4,200 | $127,600 | $4,979 | $2,192 | $1,346 | $ 61,500 | $26,768 | $2,703 | $21.40 |
| All Major Districts (excluding NYC) | 4,281 | 131,219 | 5,158 | 2,306 | 1,403 | 60,362 | 27,183 | 2,705 | 20.88 |
| New York City | 4,124 | 120,381 | 4,654 | 2,024 | 1,243 | 63,384 | 26,091 | 2,589 | 22.41 |
| Other Big 5 | 3,734 | 97,406 | 4,817 | 2,566 | 1,319 | 53,691 | 20,662 | 2,191 | 22.60 |
| New York City Suburban Districts[b] | 5,605 | 184,218 | 6,527 | 2,114 | 1,186 | 83,035 | 34,991 | 4,252 | 23.40 |
| Tax Limit Districts (Small Cities) | 3,886 | 120,444 | 4,768 | 2,446 | 1,361 | 59,048 | 22,783 | 2,120 | 17.95 |

[a] TGFE excludes Special Aid Fund.
[b] Nassau, Putnam, Rockland, Suffolk and Westchester (excludes Yonkers) counties.


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Table 6

1986-87 FISCAL CAPACITY, EXPENDITURE AND AID DATA FOR DECILES OF DISTRICTS RANKED BY FV/TWPU
ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

| Decile | 1986-87 FV/TWPU | 1986-87 AOE/TAPU for Exp. | TGFE[a]/TAPU for Exp. | State Aid Per TAPU for Exp. | Oper. Aid Per TAPU for Exp. | Income Per TWPU | Income Per Return | Tax Levy Per TAPU for Exp. | Tax Rate Per $1,000 of FV |
|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 59,862 | $3,248 | $4,195 | $3,238 | $2,187 | $ 26,969 | $19,857 | $ 829 | $16.30 |
| 2 | 68,897 | 3,759 | 4,580 | 3,047 | 1,989 | 36,009 | 22,422 | 1,426 | 22.03 |
| 3 | 76,089 | 3,391 | 4,211 | 2,839 | 1,787 | 38,106 | 20,057 | 1,299 | 18.43 |
| 4 | 86,085 | 3,688 | 4,466 | 2,683 | 1,728 | 42,575 | 21,556 | 1,625 | 20.24 |
| 5 | 97,581 | 3,946 | 4,824 | 2,534 | 1,481 | 51,073 | 22,755 | 2,149 | 23.42 |
| 6 | 115,153 | 3,873 | 4,670 | 2,306 | 1,430 | 53,343 | 23,790 | 2,199 | 21.08 |
| 7 | 143,918 | 4,357 | 5,206 | 2,019 | 1,178 | 65,109 | 27,817 | 3,030 | 23.40 |
| 8 | 188,240 | 4,797 | 5,693 | 1,776 | 1,000 | 78,894 | 28,565 | 3,755 | 23.10 |
| 9 | 279,572 | 5,863 | 6,798 | 1,439 | 764 | 96,731 | 35,714 | 5,212 | 22.97 |
| 10 | 2,940,400 | 6,638 | 7,897 | 1,108 | 530 | 135,925 | 48,578 | 6,491 | 14.69 |
| All Major Districts (including NYC) | $ 127,600 | $4,200 | $4,979 | $2,192 | $1,346 | $ 61,500 | $26,768 | $2,703 | $21.40 |
| All Major Districts (excluding NYC) | 131,219 | 4,281 | 5,158 | 2,306 | 1,403 | 60,362 | 27,183 | 2,705 | 20.88 |
| New York City | 120,381 | 4,124 | 4,654 | 2,024 | 1,243 | 63,384 | 26,091 | 2,589 | 22.41 |
| Other Big 5 | 97,406 | 3,734 | 4,817 | 2,566 | 1,319 | 53,691 | 20,662 | 2,191 | 22.60 |
| New York City Suburban Districts[b] | 184,218 | 5,605 | 6,527 | 2,114 | 1,186 | 83,035 | 34,991 | 4,252 | 23.40 |
| Tax Limit Districts (Small Cities) | 120,444 | 3,886 | 4,768 | 2,446 | 1,361 | 59,048 | 22,783 | 2,120 | 17.95 |

[a] TGFE excludes Special Aid Fund.
[b] Nassau, Putnam, Rockland, Suffolk and Westchester (excludes Yonkers) counties.

Table 7

1986-87 FISCAL CAPACITY, EXPENDITURE AND AID DATA FOR DECILES OF DISTRICTS RANKED BY INCOME PER TWPU
ALL MAJOR DISTRICTS EXCLUDING NEW YORK CITY

| Decile | Income Per TWPU | 1986-87 AOE/TAPU for Exp. | 1986-87 FV/TWPU | TGFE[a]/TAPU for Exp. | State Aid Per TAPU for Exp. | Oper. Aid Per TAPU for Exp. | Income Per Return | Tax Levy Per TAPU for Exp. | Tax Rate Per $1,000 of FV |
|---|---|---|---|---|---|---|---|---|---|
| 1 | $ 24,531 | $3,235 | $ 65,373 | $4,279 | $3,221 | $2,160 | $17,717 | $ 928 | $14.32 |
| 2 | 28,430 | 3,361 | 72,637 | 4,260 | 3,035 | 2,052 | 19,767 | 1,129 | 15.60 |
| 3 | 32,245 | 3,312 | 78,435 | 4,112 | 2,820 | 1,931 | 19,587 | 1,206 | 15.61 |
| 4 | 36,711 | 3,273 | 78,295 | 4,087 | 2,707 | 1,864 | 20,699 | 1,268 | 16.29 |
| 5 | 41,846 | 3,842 | 84,578 | 4,673 | 2,799 | 1,747 | 21,407 | 1,779 | 21.43 |
| 6 | 50,533 | 3,668 | 100,325 | 4,511 | 2,460 | 1,488 | 21,661 | 1,911 | 19.30 |
| 7 | 58,946 | 4,191 | 131,311 | 5,055 | 2,272 | 1,340 | 24,353 | 2,611 | 20.19 |
| 8 | 70,936 | 4,510 | 132,757 | 5,381 | 2,151 | 1,228 | 26,940 | 3,092 | 23.50 |
| 9 | 101,469 | 5,112 | 176,017 | 6,004 | 1,758 | 955 | 29,327 | 4,074 | 23.35 |
| 10 | 363,342 | 6,279 | 287,162 | 7,300 | 1,286 | 651 | 45,427 | 5,756 | 20.51 |
| All Major Districts (including NYC) | $ 61,500 | $4,200 | $127,600 | $4,979 | $2,192 | $1,346 | $26,768 | $2,703 | $21.40 |
| All Major Districts (excluding NYC) | 60,362 | 4,281 | 131,219 | 5,158 | 2,306 | 1,403 | 27,183 | 2,705 | 20.88 |
| New York City | 63,384 | 4,124 | 120,381 | 4,654 | 2,024 | 1,243 | 26,091 | 2,589 | 22.41 |
| Other Big 5 | 53,691 | 3,734 | 97,406 | 4,817 | 2,566 | 1,319 | 20,662 | 2,191 | 22.60 |
| New York City Suburban Districts[b] | 83,035 | 5,605 | 184,218 | 6,527 | 2,114 | 1,186 | 34,991 | 4,252 | 23.40 |
| Tax Limit Districts (Small Cities) | 59,048 | 3,886 | 120,444 | 4,768 | 2,446 | 1,361 | 22,783 | 2,120 | 17.95 |







[a] TGFE exludes Special Aid Fund.
[b] Nassau, Putnam, Rockland, Suffolk and Westchester (excludes Yonkers) counties.

## III

## FIVE-YEAR TRENDS IN SCHOOL FINANCES
## 1982-83 - 1986-87

Section III contains information over time concerning total pupils, key expenditure categories, school district tax levy, full value and personal income. Each of these items of information is presented by Total State, New York City and Rest of State. Table 8 contains gross amounts, whereas Tables 9 and 10 are presented on a per pupil basis. In this fashion, trends can be reviewed and the State totals can be displayed including or excluding New York City. Data in Tables 8, 9 and 10 include minor districts.

Since the 1982-83 school year, State aid to school districts has increased each year as State aid formulas have been adjusted to meet higher costs, with New York City receiving percentage increases larger than those for the State as a whole. School district tax levies, for school districts outside New York City, have generally reflected increases in Total General Fund Expenses and State aid. During the 1982-83 to 1986-87 period, school district tax levies for these non-New York City districts increased 32.0 percent, increases which were generally stable from year to year. Levies in New York City increased by 33.6 percent over the same period, in spite of the fact that between two of these five years, a decrease in levy occurred.

During the five-year period, the total aidable pupil units (TAPU) have declined in the Rest of State and were increasing in New York City except in 1986-87 when a small decline occurred. The number of enrolled pupils has decreased at a declining rate each year. New York City's enrollment has increased each year, while the Rest of State showed a decline each year. The changes in the definition of TAPU make year-to-year comparisons of TAPU with enrollment difficult unless the changes in definition and their impact are reviewed (See Appendices A and B for changes in definition).

Total Expenditures have increased every year for both Rest of State districts and New York City alike. In 1986-87 the percentage increase in total expenditures was smaller in New York City than in the Rest of State. Operating expenses increased for New York City and the Rest of State over the five-year period; operating expenses increased 43.3 percent in New York City, and 33.4 percent in the Rest of State school districts. Debt Service declined in one year but resumed its pattern of annual increase in 1986-87. New York City's Debt Service, in contrast to the experience in the Rest of State, has declined for the last four years.

Property value and income form the basis upon which State aid to school districts is determined. School districts having increases in Full Value per Pupil or Income per Pupil in excess of the State average increase per pupil would receive less formula operating aid.

Table 8

TOTAL AIDABLE PUPIL UNITS AND SELECTED FISCAL DATA - NEW YORK STATE SCHOOL DISTRICTS
1982-83 TO 1986-87 (FISCAL DATA IN MILLIONS OF DOLLARS)

| | 1982-83 | 1983-84 | Percent Change | 1984-85 | Percent Change | 1985-86 | Percent Change | 1986-87 | Percent Change |
|---|---|---|---|---|---|---|---|---|---|
| I. Total Aidable Pupil Units, in thousands[a] | | | | | | | | | |
| New York City | 1,021 | 1,058 | 3.6% | 1,068 | 1.0% | 1,073 | 0.5% | 1,068 | -0.4% |
| Rest of State | 2,065 | 2,006 | -2.9 | 1,977 | -1.4 | 1,950 | -1.4 | 1,933 | -0.9 |
| Total State | 3,086 | 3,064 | -0.7 | 3,045 | -0.6 | 3,023 | -0.7 | 3,001 | -0.7 |
| II. Total Enrolled Pupils, in thousands | | | | | | | | | |
| New York City | 914 | 921 | 0.7% | 927 | 0.7% | 931 | 0.4 | 932 | 0.1% |
| Rest of State | 1,781 | 1,740 | -2.3 | 1,704 | -2.1 | 1,674 | -1.8 | 1,657 | -1.0 |
| Total State | 2,705 | 2,661 | -1.6 | 2,631 | -1.1 | 2,605 | -1.0 | 2,589 | -0.6 |
| III. Total Expenditures | | | | | | | | | |
| New York City | $ 3,865 | $ 4,235 | 9.6% | $ 4,452 | 4.8% | $ 4,958 | 11.4% | $ 5,177 | 4.4% |
| Rest of State | 7,685 | 8,175 | 6.4 | 8,792 | 7.4 | 9,499 | 8.0 | 10,282 | 8.3 |
| Total State | 11,550 | 12,410 | 7.4 | 13,244 | 6.5 | 14,457 | 9.2 | 15,459 | 6.9 |
| IV. Operating Expenditures | | | | | | | | | |
| New York City | $ 3,074 | $ 3,361 | 9.3% | $ 3,620 | 7.7% | $ 4,080 | 12.7% | $ 4,405 | 8.0% |
| Rest of State | 6,199 | 6,592 | 6.3 | 7,093 | 7.6 | 7,639 | 7.7 | 8,275 | 8.3 |
| Total State | 9,273 | 9,953 | 7.3 | 10,713 | 7.6 | 11,719 | 9.4 | 12,680 | 8.2 |
| V. Total Debt Service | | | | | | | | | |
| New York City | $ 184 | $ 171 | -7.1% | $ 168 | -1.7% | $ 145 | -13.7% | $ 143 | -1.4% |
| Rest of State | 479 | 454 | -5.2 | 471 | 3.7 | 475 | 0.8 | 477 | 0.6 |
| Total State | 663 | 625 | -5.7 | 641 | 2.6 | 620 | 3.3 | 620 | 0.2 |

[a] TAPU is the one year TAPU with the weights prescribed in law for each year. It is not comparable from year to year. Beginning in 1980-81, TAPU for Expense includes weightings for handicapped pupils.

Table 8 (Continued)

TOTAL AIDABLE PUPIL UNITS AND SELECTED FISCAL DATA - NEW YORK STATE SCHOOL DISTRICTS
1982-83 TO 1986-87 (FISCAL DATA IN MILLIONS OF DOLLARS)

| | 1982-83 | 1983-84 | Percent Change | 1984-85 | Percent Change | 1985-86 | Percent Change | 1986-87 | Percent Change |
|---|---|---|---|---|---|---|---|---|---|
| VI. Total State Aid | | | | | | | | | |
| New York City | $ 1,410 | $ 1,482 | 5.1% | $ 1,751 | 18.2% | $ 1,921 | 9.7% | $ 2,162 | 12.5% |
| Rest of State | 3,234 | 3,395 | 5.0 | 3,739 | 10.1 | 4,079 | 9.1 | 4,552 | 11.6 |
| Total State | 4,644 | 4,877 | 5.0 | 5,483 | 12.6 | 6,001 | 9.4 | 6,714 | 11.9 |
| VII. School District Tax Levy, including nonproperty taxes | | | | | | | | | |
| New York City | $ 2,070 | $ 2,353 | 13.7% | $ 2,331 | -0.9% | $ 2,673 | 14.7% | $ 2,765 | 3.4% |
| Rest of State | 3,918 | 4,213 | 7.5 | 4,482 | 6.4 | 4,822 | 7.6 | 5,171 | 7.2 |
| Total State | 5,988 | 6,566 | 9.6 | 6,813 | 3.8 | 7,495 | 10.0 | 7,935 | 5.9 |
| VIII. Full Valuation of Real Property | | | | | | | | | |
| New York City | $ 88,846 | $ 94,206 | 6.0% | $ 99,955 | 6.1% | $108,031 | 8.1% | $128,628 | 19.1% |
| Rest of State | 180,923 | 192,660 | 6.5 | 204,771 | 6.3 | 217,714 | 6.4 | 251,424 | 15.5 |
| Total State | 269,769 | 286,867 | 6.3 | 304,726 | 6.2 | 325,745 | 6.9 | 380,052 | 16.7 |
| IX. Total Personal Income | | | | | | | | | |
| New York City | $ 49,629 | $ 53,345 | 7.5% | $ 57,613 | 8.0% | $ 61,772 | 7.2% | $ 67,727 | 9.6% |
| Rest of State | 84,442 | 90,866 | 7.6 | 99,111 | 9.1 | 106,118 | 7.1 | 115,290 | 8.6 |
| Total State | 134,071 | 144,212 | 7.6 | 156,724 | 8.7 | 167,890 | 7.1 | 183,017 | 9.0 |

Table 9

AVERAGE PER PUPIL EXPENDITURES, STATE AID, TAX LEVY, INCOME AND FULL VALUATION PER PUPIL
NEW YORK STATE SCHOOL DISTRICTS, 1982-83 TO 1986-87

| | 1982-83 | 1983-84 | Percent Change | 1984-85 | Percent Change | 1985-86 | Percent Change | 1986-87 | Percent Change |
|---|---|---|---|---|---|---|---|---|---|
| I. Total[a] Expenditures Per TAPU[b] | | | | | | | | | |
| New York City | $ 3,785 | $ 4,002 | 5.8% | $ 4,154 | 3.8% | $ 4,619 | 11.2% | $ 4,847 | 4.9% |
| Rest of State | 3,722 | 4,075 | 9.5 | 4,442 | 9.0 | 4,870 | 9.6 | 5,319 | 9.2 |
| Total State | 3,742 | 4,050 | 8.2 | 4,341 | 7.2 | 4,782 | 10.1 | 5,151 | 7.7 |
| II. Operating Expenditures Per TAPU[b] | | | | | | | | | |
| New York City | $ 3,010 | $ 3,178 | 5.6% | $ 3,388 | 6.6% | $ 3,802 | 12.2% | $ 4,124 | 8.5% |
| Rest of State | 3,002 | 3,276 | 9.1 | 3,578 | 9.2 | 3,918 | 9.5 | 4,289 | 9.5 |
| Total State | 3,005 | 3,248 | 8.1 | 3,511 | 8.1 | 3,877 | 10.4 | 4,225 | 9.0 |
| III. Total Debt Service Per TAPU[b] | | | | | | | | | |
| New York City | $ 180 | $ 161 | -10.5% | $ 157 | -2.5% | $ 135 | -14.0% | $ 133 | -1.5% |
| Rest of State | 232 | 226 | -2.6 | 238 | 5.3 | 243 | 2.1 | 246 | 1.2 |
| Total State | 215 | 204 | -5.1 | 210 | 2.9 | 204 | -2.8 | 206 | 1.0 |
| IV. Total State Aid Per TAPU[b] | | | | | | | | | |
| New York City | $ 1,381 | $ 1,400 | 1.4% | $ 1,564 | 11.7% | $ 1,790 | 14.5% | $ 2,024 | 13.1% |
| Rest of State | 1,566 | 1,692 | 8.0 | 1,876 | 10.9 | 2,092 | 11.5 | 2,354 | 12.5 |
| Total State | 1,504 | 1,591 | 5.8 | 1,767 | 11.1 | 1,985 | 12.3 | 2,237 | 12.7 |
| V. Tax Levy Per TAPU[b] | | | | | | | | | |
| New York City | $ 2,028 | $ 2,224 | 9.7% | $ 2,227 | 0.1% | $ 2,491 | 11.9% | $ 2,589 | 3.9% |
| Rest of State | 1,896 | 2,213 | 16.7 | 2,243 | 1.4 | 2,472 | 10.2 | 2,675 | 8.2 |
| Total State | 1,939 | 2,217 | 14.3 | 2,238 | 0.9 | 2,479 | 10.3 | 2,644 | 6.7 |
| VI. Income Per Wealth Pupil Units[c], in thousands | | | | | | | | | |
| New York City | $ 48.8 | $ 50.4 | 3.2% | $ 54.0 | 7.1% | $ 57.6 | 6.7% | $ 63.6 | 10.4% |
| Rest of State | 41.3 | 45.4 | 9.9 | 50.3 | 10.8 | 54.6 | 8.5 | 60.3 | 10.4 |
| Total State | 43.8 | 47.1 | 7.5 | 51.6 | 9.6 | 55.8 | 8.1 | 61.5 | 10.2 |
| VII. Full Valuation of Taxable Real Property Per Wealth Pupils[c], in thousands | | | | | | | | | |
| New York City | $ 87.4 | $ 89.0 | 1.8% | $ 93.7 | 5.3% | $ 100.7 | 6.7% | $ 120.8 | 20.0% |
| Rest of State | 88.4 | 96.2 | 8.8 | 103.8 | 7.9 | 112.3 | 8.5 | 131.4 | 17.0 |
| Total State | 88.1 | 93.7 | 6.4 | 100.4 | 7.2 | 108.5 | 8.1 | 127.6 | 17.6 |

[a] Includes Federal Fund Expenditures through 1983-84 and Special Aid Fund Expenditures since 1984-85.

[b] TAPU is one year TAPU with the weights prescribed in law for each year. It is not comparable from year to year. Beginning in 1980-81 TAPU for Expense includes weightings for handicapped pupils.

[c] Wealth pupils have been TWPU for the years 1979-80 through 1986-87. It is not comparable from year to year (See Appendices A and B).

Table 10

AVERAGE PER PUPIL EXPENDITURES, STATE AID, TAX LEVY, TAX RATES ON FULL VALUATION AND FULL VALUATION PER PUPIL (WADA)
NEW YORK STATE SCHOOL DISTRICTS, 1982-83 TO 1986-87

| | 1982-83 | 1983-84 | Percent Change | 1984-85 | Percent Change | 1985-86 | Percent Change | 1986-87 | Percent Change |
|---|---|---|---|---|---|---|---|---|---|
| I. Total Expenditures Per Enrolled Student | | | | | | | | | |
| New York City | $ 4,228 | $ 4,598 | 8.8% | $ 4,786 | 4.1% | $ 5,324 | 11.2% | $ 5,555 | 4.3% |
| Rest of State | 4,315 | 4,698 | 8.9 | 5,154 | 9.7 | 5,673 | 10.1 | 6,205 | 9.4 |
| Total State | 4,269 | 4,664 | 9.3 | 5,034 | 7.9 | 5,548 | 10.2 | 5,971 | 7.6 |
| II. Operating Expenditures Per Enrolled Student | | | | | | | | | |
| New York City | $ 3,363 | $ 3,649 | 8.5% | $ 3,905 | 7.0% | $ 4,382 | 12.2% | $ 4,726 | 7.9% |
| Rest of State | 3,480 | 3,788 | 8.9 | 4,151 | 9.6 | 4,564 | 9.9 | 4,994 | 9.4 |
| Total State | 3,428 | 3,740 | 9.1 | 4,064 | 8.7 | 4,499 | 10.7 | 4,898 | 7.3 |
| III. Total Debt Service Per Enrolled Student | | | | | | | | | |
| New York City | $ 201 | $ 186 | -7.4% | $ 181 | -2.7% | $ 155 | -14.3% | $ 153 | -1.3% |
| Rest of State | 269 | 260 | -3.3 | 276 | 6.2 | 283 | 2.5 | 288 | 1.8 |
| Total State | 245 | 235 | -4.1 | 242 | 3.0 | 238 | -1.6 | 239 | 0.4 |
| IV. Total State Aid Per Enrolled Student | | | | | | | | | |
| New York City | $ 1,543 | $ 1,609 | 4.3% | $ 1,889 | 17.4% | $ 2,063 | 9.2% | $ 2,320 | 12.5% |
| Rest of State | 1,816 | 1,951 | 7.4 | 2,194 | 12.5 | 2,437 | 11.1 | 2,747 | 12.7 |
| Total State | 1,716 | 1,832 | 6.8 | 2,084 | 13.9 | 2,303 | 10.5 | 2,593 | 12.6 |
| V. Tax Levy Per Enrolled Student | | | | | | | | | |
| New York City | $ 2,265 | $ 2,554 | 12.8% | $ 2,514 | -1.6% | $ 2,871 | 14.2% | $ 2,967 | 3.3% |
| Rest of State | 2,200 | 2,552 | 16.0 | 2,636 | 3.3 | 2,881 | 9.3 | 3,121 | 8.3 |
| Total State | 2,213 | 2,553 | 15.4 | 2,593 | 1.6 | 2,877 | 11.0 | 3,065 | 6.5 |
| VI. Tax Rate Per $1,000 Full Valuation | | | | | | | | | |
| New York City | $ 23.30 | $ 24.98 | 7.2% | $ 23.32 | -6.6% | $ 25.03 | 7.3% | $ 21.50 | -14.1% |
| Rest of State | 21.66 | 21.87 | 6.4 | 21.94 | 0.3 | 22.15 | 1.0 | 20.57 | -7.1 |
| Total State | 22.20 | 22.89 | 6.7 | 22.39 | -2.2 | 23.01 | 2.8 | 20.88 | -9.3 |
| VII. Full Valuation of Taxable Real Property Per Weighted Average Daily Attendance (WADA), in thousands | | | | | | | | | |
| New York City | $ 104.2 | $ 106.0 | 1.7% | $ 110.8 | 4.5% | $ 119.7 | 8.0% | $ 144.4 | 20.6% |
| Rest of State | 97.1 | 106.4 | 9.6 | 115.4 | 8.5 | 125.6 | 8.8 | 146.5 | 16.6 |
| Total State | 99.3 | 106.3 | 7.0 | 114.2 | 7.4 | 123.9 | 8.5 | 145.8 | 17.7 |

In 1986-87, full valuations for the total State have increased an average of 16.7 percent for the year, while New York City has increased an average of 19.1 percent. Full valuation in the State for aid purposes has not kept pace with actual valuations of real property in part because of the lag in the use of real property surveys in the determination of equalization rates. New York City personal income increased an average of 15.7 percent during 1986-87 while upstate personal income was increasing 12.1 percent per year and the State increased an average of 13.4 percent per year.

Table 9 displays per pupil (TAPU for Expense or Wealth Pupil Units) averages of data contained in Table 8. Total Expenditures per Pupil and Approved Operating Expense per Pupil parallel each other since 1983-84 with annual percentage increases in New York City closely parallel to the Rest of State. As noted earlier, Total Debt Service has decreased in New York City during every year since 1982-83 while in the Rest of State, Debt Service has been relatively constant, a phenomenon which may reflect small declines in Rest of State enrollments and a decline in Debt Service over the years (see Table 8). Total State Aid per Pupil has increased since 1984-85 with New York City receiving larger increases than the Rest of State in 1984-85 through 1986-87. This increase for New York City was in part due to the change in Full Value per Pupil and Income per Pupil in the City being less than the State average. New York City has an increase per pupil in both full value and income above the State average. Tax levy per pupil increased slightly in New York City and Rest of State in 1984-85 and in excess of 10 percent per pupil for both in 1985-86. Increases in 1986-87 were lower.

Table 10 displays per enrolled pupil averages of the following: total expenditures, operating expenditures, debt service, total State aid and tax levy; full value per WADA; and, tax rate per $1,000 full value. Since these pupil count definitions are consistent from year to year, valid comparisons can be made. Table 10 demonstrates trends very similar to Table 9 in terms of the percent changes from 1982-83 to 1986-87.

With inflation as the catalyst, the Rest of State districts increased total expenditures per pupil (enrolled) each year. New York City total expenditures per pupil have also increased each year.

Statewide, operating expense per pupil continues to increase each year. Approved operating expenses for New York City followed the trend of total expenditures. Both approved operating expenses and total expenditures generally have increased at an uneven rate in New York City; increases in the Rest of State have been more consistent.

Debt service per pupil followed the same trend as total debt service. The trend for total State aid per pupil generally followed the same pattern as for total State aid. Full value per pupil and tax levy per pupil trends were consistent with changes in gross figures reported in Table 8.

Moderate increases in full value coupled with a pattern of steep and negligible increases in the tax levy produced a similar pattern of increases and decreases in the tax rate for New York City. Since 1982-83, tax levies and tax rates in the Rest of State have increased. Similarly, tax rates for the Rest of the State have increased with the exception of the 1986-87 year.

## GLOSSARY

### I. Pupil Data Definitions

Adjusted Average Daily Attendance: Adjusted Average Daily Attendance is the same as Average Daily Attendance (ADA) except half-day kindergarten ADA is weighted at .50 and is an average for the school year.

Unadjusted Average Daily Attendance is the unweighted ADA for the school year.

Average Daily Attendance: Average Daily Attendance (ADA) is the average number of pupils present on each regular school day in a given period, an average determined by dividing the total number of attendance days of all pupils by the number of days school was in session. ADA for a group of classes or schools in session for varying numbers of days is obtained by adding together the ADA for each group. In addition, adjustments are made for the adverse effects of religious holidays on attendance. Equivalent secondary attendance of students under 21 years of age who are not on a regular day school register is added to adjusted ADA in calculating TAPU and TWPU beginning in school year 1984-85. For students 21 years of age and older, refer to the definition of Employment Preparation Education Aid.

Enrollment: The total number of students entered on the roll as of the date in the fall on which data for the Basic Educational Data System are collected for the current year.

Evening School ADA: Evening School ADA is the ADA generated by half-day equivalent attendance in an approved program during the evening hours by individuals who are sixteen years of age or older in school years prior to 1984-85. Such programs are to be approved by the Commissioner and must lead to a high school diploma or its equivalent. The additional weighting for evening school pupils of .50 was in effect through 1984-85.

Pupils with Handicapping Conditions: Pupils resident of the district and attending special class in public schools and BOCES with weightings assigned as follows: pupils attending special class 60 percent of the school day at 1.7 additional; pupils in special class 20 percent per week at .9 additional; and pupils in special class two periods per week at .13 additional.

Pupils with Special Educational Needs: The ADA of Pupils with Special Educational Needs (PSEN) is determined by multiplying the composite percentage of pupils scoring below minimum competence on the third and sixth grade reading and mathematics Pupil Evaluation Program tests by the district's combined adjusted ADA to produce the number of pupils for weighting. Prior to 1978-79, the average was based on the 1971 and 1972 sixth grade reading and mathematics tests. From 1978-79 through 1983-84,

the average was based on the 1974 and 1975 third and sixth grade reading and mathematics tests. Beginning in school year 1984-85, the average was based on tests administered in 1977, 1978, 1979 and 1980. Beginning in school year 1986-87, the average was based on tests administered in the Spring of 1983 and 1984. Beginning in school year 1988-89, the average was based on tests administered in the Spring of 1985 and 1986. The weighting for eligible pupils is .25 pupil units.

Resident Weighted Average Daily Attendance: Resident Weighted Average Daily Attendance (RWADA) is calculated by subtracting the WADA of nonresident pupils attending public school in the district from the district's WADA and adding the WADA of pupils resident in the district but attending full time a school operated by a Board of Cooperative Educational Services or a county vocational education and extension board, or another public school.

Secondary School Pupil Weighting: Secondary school ADA not otherwise weighted are eligible for an additional weight of .25. Secondary PSEN ADA (pupils with special educational needs) were eligible for an additional weight of .15 beginning in 1978-79 and a weighting of .25 beginning in 1980-81. Beginning in school year 1988-89, Big Five occupational education pupils are no longer excluded from the additional .25 weighting.

Summer School ADA: Summer School ADA is the ADA of pupils attending approved programs of instruction operated by the district during the months of July and August of the base year in accordance with the Commissioner's Regulations. The summer school weight is .12.

Total Aidable Pupil Units (TAPU): Total Aidable Pupil Units (TAPU) is the measure on which formula aid is computed. It includes combined adjusted Average Daily Attendance (weighted for half-day kindergarten), aidable pupils with special educational needs, aidable pupils with handicapping conditions (this weighting has been excluded since 1980-81), aidable summer school pupils, aidable evening school pupils, dual enrollment pupils, and additional pupils weighted for secondary school.

Total Aidable Pupil Units for Expense: Total Aidable Pupil Units for Expense (TAPU for Expense) is used to compute the approved operating expense per pupil. This is the same definition as TAPU except it includes weightings for pupils with handicapping conditions.

Total Wealth Pupil Units (TWPU): Total Wealth Pupil Units (TWPU) are based upon the adjusted average daily attendance of pupils resident in the district plus weightings for pupils with special educational needs, pupils with handicapping conditions and secondary school pupils.

Weighted Average Daily Attendance: Weighted Average Daily Attendance (WADA) is determined by applying the following weightings to the average daily attendance: half-day kindergarten, .50; full day kindergarten and grades one through six, 1.00; grades seven through twelve, 1.25.

## II. Other Definitions

Approved Operating Expenditures (AOE): Approved Operating Expenditures (AOE) are the operating expenses for the day-to-day operation of the school. Not included are expenses for building construction, transportation of pupils, some expenditures made to purchase services from a Board of Cooperative Educational Services or County Vocational Education and Extension Board, tuition payments to other districts, and expenses for programs which do not conform to law or regulation. Money received as Federal aid revenue, proceeds of borrowing, and State aid for special programs are first deducted from total annual expenditures when approved operating expenditures are computed.

Debt Service: Debt Service is a combination of principal and interest on approved building projects.

Deciles: Deciles are composed of 10 percent of the major school districts in New York State or approximately 70 school districts except for deciles 8, 9 and 10 which contain 69 districts each. The deciles exclude New York City.

Employment Preparation Education (EPE) Aid: Pupils 21 years of age and older who have not received a high school diploma or a high school equivalency diploma and attend employment education programs leading to a high school diploma or high school equivalency are eligible for aid under Employment Preparation Education (EPE). Aid is provided on a current year basis and is calculated based on the statewide average per pupil expenditure and a full value aid ratio.

Federal Aid: All revenues received from the Federal Government directly or through the State Education Department in the Special Aid Fund and includes Job Training Partnership Act (JTPA) funds received in the General Fund.

Full Valuation of Taxable Real Property (FV): Total assessed valuation of property on the tax rolls within the district adjusted by the State equalization rate determined for such rolls.

Major School Districts: Major School Districts are school districts having eight or more teachers, exclusive of institutional school districts.

Minor School Districts: Minor School Districts are school districts with fewer than eight teachers, including those districts contracting 100 percent with other districts for the education of all their students.

Other Local Revenues: Other Local Revenues are any local funds other than real property taxes or nonproperty taxes such as a sales tax or utility tax.

Special Aid Fund: Since 1984-85, the total expenditures in this fund are for the majority of a school district's Federal funds for specific programs. It also includes certain State aid programs such as IPP and Reading in the 1987-88 school year.

Tax Levy: Local revenues raised by tax for school purposes, including property and nonproperty tax revenues.

Tax Limit Districts: Tax Limit Districts were fiscally independent school districts located entirely or partially within a city which had a population of less than 125,000. These districts had tax limits of 1.25 percent, 1.50 percent, 1.75 percent, or 2.00 percent of the five-year average Full Value. A Constitutional Amendment enacted in 1985 eliminates, as of the 1986-87 school year, the tax limits for school districts in cities with less than 125,000 population.

Tax Rate: The tax levy divided by the full valuation of real property, expressed as a rate per $1,000 of full valuation.

Total Expenditures: Total Expenditures are the expenditures and transfers for the total school program from a district's Total General Fund and Special Aid Fund plus Capital Fund and Repair Reserve Expenditures approved as operating expenses.

Total General Fund Expense (TGFE): Total General Fund Expense (TGFE) are the expenditures and transfers for the school program from a district's Total General Fund and excludes the Other Funds.

Total State Aid: The sum total of all State aid paid to school districts pursuant to State Education Law, principally Sections 3602, 1950, and 701, and to related portions of the unconsolidated laws and reported on the Annual Financial Report (ST-3) by school districts.

## APPENDIX A

### Pupil Units to Determine Expense Per Pupil

Pupil units used to compute expense per pupil have changed over the last decade.

Use of WADA Prior to 1974-75. Prior to school year 1974-75 expense per pupil was based on Weighted Average Daily Attendance (WADA) computed using full-time attendance in the best 4 of 8 or 5 of 10 attendance periods with half-day kindergarten weighted at .5 and secondary pupils at an additional .25.

TAPU Definitions from 1974-75 Through 1979-80. From 1974-75 to 1977-78, the pupil count was Total Aidable Pupil Units (TAPU) based on full year attendance plus half-day kindergarten weighted at .5; pupils with special educational needs (PSEN) at an additional .25; summer school pupils at an additional .12; evening school at an additional .50; pupils with handicapping conditions weighted at an additional 1.0; and secondary pupils not weighted as PSEN or handicapped pupils at an additional .25. Pupils with special educational needs were determined based on 1971 and 1972 sixth grade math and reading PEP tests for aid payable in 1974-75 through 1977-78.

In school years 1978-79 and 1979-80, pupil counts were based on TAPU except secondary school PSEN pupils which had not previously received the secondary weighting including the PSEN, received an additional .15 secondary weighting. The PSEN weightings were based on 1974 and 1975 third and sixth grade math and reading PEP tests.

The 1980-81 school year was the first year of the new and separate formula for providing State aid for pupils with handicapping conditions. Therefore, TAPU for payment of operating aid in school year 1980-81 did not contain a weighting for pupils with handicapping conditions while TAPU for expense did include the new handicapped weightings. Secondary school PSEN pupils received the PSEN weighting plus an additional .25 for secondary attendance.

TAPU For Expense. Since 1980-81, there has been a difference between a district's TAPU for Expense and its payment TAPU. TAPU for payment of operating aid excluded the additional weightings for pupils with handicapping conditions. TAPU for expense has included additional weightings as follows: PSEN at .25; secondary at .25; evening school at .5; summer school at .12; and pupils with handicapping conditions (60% of the day, an additional 1.7; 20% of the week, an additional .9; 2 periods per week, an additional .13).

For aid payable in 1984-85, TAPU and TAPU for Expense were computed based on PSEN weightings for third and sixth grade reading and mathematics PEP tests in the years 1977 through 1980.

For the 1984-85 school year, the additional .5 evening school weighting was applied to evening school pupils counted as contact hours/1,000. Thereafter, the

evening school weighting was eliminated. Beginning with the 1984-85 school year, pupils under age 21 who were not on a regular day school register were counted as secondary pupils in the computation of ADA, based on contact hours/1,000. The contact hours of individuals 21 years old and over attending programs leading to a high school diploma or equivalency diploma would be aided based on the new Employment Preparation Education Aid.

PSEN weightings for school year 1986-87 and beyond were based on third and sixth grade reading and mathematics PEP Test scores, averaged for the years 1982-83 and 1983-84. These scores were used to determine weightings to be included in TAPU and TAPU for Expense.

## APPENDIX B

### Pupil Units to Compute District Wealth Per Pupil

The pupil units used to compute school district wealth prior to school year 1978-79 were based on Resident Weighted Average Daily Attendance (RWADA) computed based on the best 4 of 8 or 5 of 10 attendance periods of the district. This pupil count is based upon resident pupils with half-day kindergarten pupils weighted at .5 and secondary pupils weighted at 1.25. The difference between RWADA and WADA is: RWADA is resident pupils attending public school and WADA is based on attendance of resident and nonresident pupils.

In 1978-79, the pupil units used to compute wealth were Resident Total Aidable Pupil Units (RTAPU). This was computed by adding the full-time equivalent attendance of pupils residing in the district and attending public school. Pupil weightings included were as follows: half-day kindergarten at .5; secondary at .25; PSEN at .25; handicapped at 1.00; and, PSEN secondary at .15. The PSEN weightings were based on third and sixth grade reading and mathematics PEP test score averages for 1974-75 and 1975-76.

In school year 1979-80, the RTAPU was changed to Total Wealth Pupil Units (TWPU) by using the best 7 of 8 or 9 of 10 attendance periods. Pupil weightings used in calculating RTAPU were continued in the calculation of TWPU.

In school year 1980-81, TWPU was adjusted by changing the PSEN secondary weighting to .25. Beginning with school year 1981-82, TWPU was further changed by adjusting the weighting for pupils with handicapping conditions based on time in special class as follows: 60 percent of the school day, an additional 1.7; 20 percent of the school week, an additional .9; and, two periods per week, an additional .13. Pupils with handicapping conditions attending private schools were included and weighted at an additional 1.7.

Beginning with school year 1984-85, PSEN weightings were based on third and sixth grade reading and mathematics PEP test scores averaged for the years 1977 through 1980. The definition of TWPU was also changed to include the equivalent secondary attendance of students under age 21 who are not on a regular day school register.

Beginning with the 1985-86 school year, TWPU was based on full year attendance.

For the 1986-87 and 1987-88 school years, PSEN weightings were based on third and sixth grade reading and mathematics PEP test scores, averaged for the years 1982-83 and 1983-84. These scores were used to determine weightings to be included in TWPU.

For the 1988-89 school year, PSEN weightings are based on third and sixth grade reading and mathematics PEP test scores, averaged for the years 1985-86 and 1986-87. These scores are used to determine weightings to be included in TWPU. Beginning with the 1988-89 school year, Big Five Occupational Education pupils are duplicated for secondary weighting.

## APPENDIX C

### State Aid Payments Compared To Total Expenditures For Public Elementary and Secondary Schools 1940-41 To 1962-63

| School Year | Total State Aid | Total Expenditures | Percent From State Aid |
|---|---|---|---|
| 1940-41 | $121,563,209 | $ 357,923,285 | 34.0% |
| 1941-42 | 118,765,954 | 356,183,375 | 33.3 |
| 1942-43 | 117,769,828 | 348,833,575 | 33.8 |
| 1943-44 | 111,813,743 | 347,016,624 | 32.2 |
| 1944-45 | 110,877,648 | 352,480,890 | 31.5 |
| 1945-46 | 120,916,352 | 378,143,894 | 32.0 |
| 1946-47 | 137,329,874 | 425,614,877 | 32.3 |
| 1947-48 | 154,718,759 | 477,887,493 | 32.4 |
| 1948-49 | 180,313,480 | 528,719,498 | 34.1 |
| 1949-50 | 239,305,992 | 563,376,271 | 42.5 |
| 1950-51 | 249,978,815 | 616,183,761 | 40.6 |
| 1951-52 | 271,893,281 | 686,883,519 | 39.6 |
| 1952-53 | 283,792,717 | 754,721,654 | 37.6 |
| 1953-54 | 300,616,864 | 821,271,032 | 36.6 |
| 1954-55 | 342,111,458 | 925,362,728 | 37.0 |
| 1955-56 | 374,038,629 | 1,031,370,877 | 36.3 |
| 1956-57 | 464,965,442 | 1,187,779,753 | 39.1 |
| 1957-58 | 514,202,919 | 1,328,651,873 | 38.7 |
| 1958-59 | 593,554,985 | 1,459,752,597 | 40.7 |
| 1959-60 | 636,233,653 | 1,596,411,569 | 39.9 |
| 1960-61 | 747,807,022 | 1,750,175,348 | 42.7 |
| 1961-62 | 800,834,961 | 1,915,199,813 | 41.8 |
| 1962-63 | 953,579,515 | 2,146,273,214 | 44.4 |

NOTE: School years 1963-64 through 1966-67 have been deleted because more current data are contained in Table 1 for those years.

SOURCE: Table 1, "State Aid to New York State School Districts, 1965-66," January 1967.